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and Pacific WebWorks, Inc.*

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

ALLEN STUTELBERG, HAROLD SCHMUNK and MICHAEL GREER, acting in their individual capacities and as shareholders suing derivatively on behalf of Pacific WebWorks, Inc., a Nevada corporation,

Plaintiffs,

vs.

PACIFIC WEBWORKS, INC., a Nevada Corporation, KENNETH W. BELL, an individual, WILLIAM MARC BELL, an individual, ROBERT BRETT BELL, an individual, CHRISTIAN LARSEN, an individual, YKNOT HOLDINGS LLC, a Utah limited liability company, YKNOT GLOBAL, LLC, a Utah limited liability company, K. LANCE BELL, an individual, and John Does 1-10.

Defendants

**NOTICE OF REMOVAL
OF ACTION TO UNITED STATES
FEDERAL DISTRICT COURT
PURSUANT TO 28 U.S.C. §§ 1332,
1441, AND 1446**

Case No. 2:13-cv-01074-PMW

Magistrate Judge Paul M. Warner

Pursuant to 28 U.S.C. §§ 1332, 1441, and 1446, Defendants K. Lance Bell (“Lance Bell”) and Pacific WebWorks, Inc. (“Pacific WebWorks”) hereby remove this action from the Third Judicial District Court, in and for Salt Lake County, State of Utah, where it is now pending, to the United States District Court for the District of Utah, Central Division. Lance Bell and Pacific WebWorks state the following grounds for removal:

1. Plaintiffs Allen Stutelberg, Harold Schmunk, and Michael Greer (“Plaintiffs”) filed on November 14, 2013, a Verified Complaint (“Complaint”) in the District Court of the Third Judicial District in and for Salt Lake County, State of Utah, captioned *Allen Stutelberg, et al. v. Pacific WebWorks, Inc., et al.*, Case No. 130907822, Judge Anthony B. Quinn (the “State Action”).
2. On November 18, 2013, Plaintiffs filed an Amended Verified Complaint in the District Court of the Third Judicial District in and for Salt Lake County, State of Utah (“Amended Complaint”).
3. Lance Bell, Pacific WebWorks, and Defendants Kenneth W. Bell (“Kenneth Bell”), William Marc Bell (“Marc Bell”), Christian Larsen (“Larsen”), Robert Brett Bell (“Brett Bell”), YKnot Holdings, LLC (“YKnot Holdings”) and YKnot Global, LLC (“YKnot Global”) (collectively, “Defendants”), were served with a copy of the Summons and Complaint in the State Action on or about November 15, 2013. See Declarations of Service for Lance Bell and Pacific WebWorks, collectively attached hereto as Exhibit A; Acceptance of Service of Summons and Amended Verified Complaint for Kenneth Bell, Brett Bell, YKnot Holdings, and YKnot Global, and Declarations of Service for Marc Bell and Larsen, collectively attached hereto as Exhibit B.

4. This Court has original jurisdiction over this action pursuant 28 U.S.C. § 1332 because there is complete diversity between Plaintiffs and Defendants and the amount in controversy exceeds \$75,000, exclusive of interest or costs.

5. Plaintiffs Stutelberg, Schmuck, and Greer are alleged to be citizens of the states of Minnesota North Dakota, and Virginia, respectively. *See Am. Compl.* ¶¶ 2-4.

6. Pacific WebWorks is a Nevada corporation with its principal place of business in Salt Lake City, Utah. *See Am. Compl.* ¶ 5. Therefore, Pacific WebWorks is a citizen of the states of Utah and Nevada. Due to the nature of the claims asserted by Plaintiffs, Pacific WebWorks is properly aligned as a defendant in this matter. *See Symes v. Harris*, 472 F.3d 754, 760 (10th Cir. 2006); *Weinstein v. Schwartz*, 422 F.3d 476, 478 (7th Cir. Ill. 2005).

7. Defendants Lance Bell, Kenneth Bell, Brett Bell, Marc Bell, and Larsen are citizens of the state of Utah. *See Am. Compl.* ¶¶ 6-10.

8. Each of the members of Defendant YKnot Holdings, a Utah limited liability company, resides in Utah. *See Am. Compl.* ¶ 11.

9. Each of the members of Defendant YKnot Global, a Utah limited liability company, resides in Utah.¹ *See Am. Compl.* ¶ 12.

10. Accordingly, there is complete diversity of citizenship between Plaintiffs and Defendants as required by 28 U.S.C. § 1332(a)(1).

11. The amount in controversy asserted by the Amended Complaint is \$300,000. *See Am. Compl.* ¶¶ 48, 54, 62, 67, Prayer for Relief ¶¶ 1-5. Moreover, the Amended Complaint

¹ YKnot Global Ltd. is a foreign entity registered to do business in the State of Utah as YKnot Global, LLC.

asserts it is a “Tier 3” case, which, under Utah R. Civ. P. 26(c)(3) is defined a case for which the plaintiff is claiming \$300,000 or more in damages – well in excess of the minimum amount in controversy required for this Court’s jurisdiction under 28 U.S.C. § 1332. *See Am. Compl.*

12. Because the diversity and amount in controversy requirements are met, this action is properly removable to this Court pursuant to 28 U.S.C. § 1332.

13. All Defendants have consented to removal of this action. *See Consent to Removal by Defendants Kenneth Bell, Marc Bell, Brett Bell, Larsen, YKnot Global, and YKnot Holdings, respectively, collectively attached hereto as Exhibit C.*

14. This Court is the District Court of the United States for the district and division embracing the place where the State Action is pending (*i.e.*, Salt Lake County, Utah), and is, therefore, the appropriate court for removal pursuant to 28 U.S.C. §1441(a).

15. As required by 28 U.S.C. § 1446(a), attached hereto as Exhibit A, D, and E are copies of all process, pleadings, and orders served upon Lance Bell and Pacific WebWorks in the State Court Action, including the Amended Complaint. Exhibit A is a copy of the Declarations of Service for Lance Bell and Pacific WebWorks, which contain the Summons served upon them. Exhibit D is a copy of the Summons and Complaint served upon them. Exhibit E is a copy of the Amended Complaint.

16. This Notice of Removal is being timely filed within thirty (30) days of receipt by Bell and Pacific WebWorks, through service or otherwise, of a copy of the Complaint, which is the initial pleading setting forth the claim for relief upon which the State Action is based. 28 U.S.C. § 1446(b).

17. In accordance with 28 U.S.C. § 1446(d), a copy of this Notice of Removal will be filed with the Clerk of the Third Judicial District Court of Salt Lake County, State of Utah, and is being served on all parties that have received service of process in this action.

WHEREFORE, Lance Bell and Pacific WebWorks request that this action, currently pending in the Third Judicial District Court of Salt Lake County, State of Utah, be removed to this Court, which shall assume full jurisdiction over it as provided by law.

Dated this 4th day of December, 2013.

/s/ J. Derek Kearl

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HOLLAND & HART LLP
Attorneys for Defendants K. Lance Bell and Pacific WebWorks, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on December 4, 2013, the foregoing was electronically filed with the Court which in turn sent electronic notice of the same to the following:

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/s/ J. Derek Kearn

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